

**SHREWSBURY ELECTRIC
&
CABLE OPERATIONS
COMMISSION MEETING**

**November 21, 2005
7:00 PM**

MINUTES

**PRESENT: C. JEFFERSON, Jr., Chairman
S. DAVIS
R. LUTZ
A. TRIPPI**

ABSENT: P. LYONS-GALLO

OTHERS

**PRESENT: T. JOSIE
R. IACCARINO**

1. Approve Bill Schedules

The bill schedules were reviewed and approved as presented.

2. Minutes – Light Commission Meeting – October 24, 2005

A motion:

***To approve the minutes of the October 24, 2005 Light Commission meeting
was made by C. Jefferson, Jr. and seconded by R. Lutz.***

After a brief discussion, the minutes were approved as presented.

3. Auditor's Letter of Engagement

A motion:

To engage the accounting firm of Nelson, Adam & Dickson P.C. to perform the annual audit for Shrewsbury Electric and Cable Operations was made by R. Lutz and seconded by S. Davis.

After a brief discussion, the motion was voted unanimously.

4. Cash Statements – October 2005

a. Electric

After a brief review and discussion, the October 2005 Electric Cash Statements were accepted as presented.

b. CATV

After a brief review and discussion, the October 2005 Cable Cash Statements were accepted as presented.

5. Financial Statements – September 2005

a. Electric

After a brief review and discussion, the September 2005 Electric Cash Statements were accepted as presented.

b. CATV

After a brief review and discussion, the September 2005 Cable Cash Statements were accepted as presented.

6. Electric Water Heater Rate

T. Josie recommended that the Commission vote to change the eligibility for electric hot water heater rates to include only those customers of record as of January 1, 2006. All existing customers will be grandfathered and new customers will no longer be eligible for the old rate.

He added that Mass Electric no longer has a “water heating rate” for its customers.

After further discussion,

A motion:

To accept the General Manager’s recommendation to terminate the electric hot water heating rate except for customers of record on January 1, 2006 was made by R. Lutz and seconded by S. Davis.

Without further discussion, the motion was voted unanimously.

7. Power Supply Contracting – All Requirements

T. Josie recommended that the Commission vote to have SELCO give MMWEC the required two-year notice to terminate the All Requirements contract.

The All Requirements contract is a sub-set within MMWEC and allowed for joint planning and pooling of existing and future power supply projects. Since the inception of the contract, a number of the benefits of melding the systems for the benefit of peak requirement/demand and also melding of the dispatch, the “rules” have changed and the benefits no longer exist. Changes include the following:

- Synergies of pooling loads/generation are no longer available.
- The melding power supply did not evolve.
- Other systems feel that the All Requirements group is getting preferential treatment by MMWEC.
- There is discussion to change the MMWEC cost allocation formula that would result in the reduction in SELCO’s financial benefit.

A motion:

SELCO give MMWEC the required two year notice to terminate the All Requirements Contract was made by R. Lutz and seconded by A. Trippi.

Without further discussion, the motion was voted unanimously.

8. Christmas Decorations

After a brief discussion, the Commission agreed that SELCO would install Christmas wreaths on the light poles located in the center of Town, as in years’ past.

9. Operating Brief

The Operating Brief was reviewed and accepted as presented.

10. CATV Services - Discussion

T. Josie reported that SELCO is investigating options of providing Voice Over Internet Protocol (VOIP) telephone service via the Internet service to SELCO's customers. To launch this service, SELCO must choose a "partner" and based upon advise from the consultant, there are two viable candidates – Pine Tree Network and Sprint - Nextel.

Pine Tree Networks is a small company with strong technical and customer service staff. Sprint recently partnered with Comcast, Time Warner and Cox. They are planning to offer a ubiquitous phone, wireless and IP service in house along with enhanced wireless features. However, dealing with Sprint, a large company, may be more difficult as opposed to dealing with Pine Tree Networks who, because they are a small company, will provide specialized and more intimate customer service. Costs are comparable between the two companies.

SELCO met with representatives from Pine Tree Networks and will be visiting Sprint's facility located in Kansas on December 6.

T. Josie asked the Commission if they want to continue on the path of trying to have the best technology that is comparable to the large systems. How important is this to SELCO as an organization?

He added that one of his concerns is that once Verizon starts advertising in the service in nearby communities, such as Westboro and Northboro, SELCO's customers would be inquiring as to why Shrewsbury does not have the service available.

As a tool to further investigate the VOIP service and for comparisons of the various VOIP services, T. Josie stated that he would like to order the "Freedom" service currently being advertised by Verizon for his home and also have a few other staff members, who live in surrounding communities, order the VOIP service currently being offered by Charter Communications for their homes. Employees would then be reimbursed for ordering the service. The Commission agreed that this would be a good tool evaluation tool.

After further discussion, the Commission concurred that SELCO should continue keeping pace with changes in technology.

The next Light Commission meeting is scheduled for January 2006.

A motion:

To adjourn the Light Commission meeting was made by C. Jefferson, Jr. and seconded by A. Trippi.

Without further discussion, the motion was voted unanimously.

Respectfully submitted,

Anthony M. Trippi, Clerk
Shrewsbury's Light Commission